

House File 139 - Introduced

HOUSE FILE _____
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 6)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring health insurance coverage for costs relating to
2 mental health conditions, including alcohol or substance abuse
3 treatment services.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

5 TLSB 1524HV 83

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1 1 Section 1. NEW SECTION. 514C.24 MANDATED COVERAGE FOR
1 2 MENTAL HEALTH CONDITIONS.

1 3 1. For purposes of this section, unless the context
1 4 otherwise requires:

1 5 a. "Mental health condition" means a condition or disorder
1 6 involving mental illness or alcohol or substance abuse as
1 7 defined by the commissioner of insurance by rule, consistent
1 8 with the diagnostic categories listed in the mental disorders
1 9 section of the most recent version of the diagnostic and
1 10 statistical manual of mental disorders.

1 11 b. "Rates, terms, and conditions" means any lifetime
1 12 payment limits, deductibles, copayments, coinsurance, and any
1 13 other cost-sharing requirements, out-of-pocket limits, visit
1 14 limitations, and any other financial component of benefits
1 15 coverage that affects the covered individual.

1 16 2. a. Notwithstanding section 514C.6, a policy, contract,
1 17 or plan providing for third-party payment or prepayment of
1 18 health or medical expenses shall provide coverage benefits for
1 19 mental health conditions based on rates, terms, and conditions
1 20 which are no more restrictive than the rates, terms, and
1 21 conditions for coverage benefits provided for other health or
1 22 medical conditions under the policy, contract, or plan.

1 23 Additionally, any rates, terms, and conditions involving
1 24 deductibles, copayments, coinsurance, and any other cost=
1 25 sharing requirements shall be cumulative for coverage of both
1 26 mental health conditions and other health or medical
1 27 conditions under the policy, contract, or plan.

1 28 b. Coverage required under this subsection shall be as
1 29 follows:

1 30 (1) For the treatment of mental illness, coverage shall be
1 31 for services provided by a licensed mental health
1 32 professional, as defined in section 228.1, subsection 6, or
1 33 services provided in a licensed hospital or health facility.

1 34 (2) For the treatment of alcohol or substance abuse,
1 35 coverage shall be for services provided by a substance abuse
2 1 counselor, as approved by the department of public health; a
2 2 licensed health facility providing a program for the treatment
2 3 of alcohol or substance abuse approved by the department of
2 4 public health; or a substance abuse treatment and
2 5 rehabilitation facility, as licensed by the department of
2 6 public health pursuant to chapter 125.

2 7 3. This section applies to the following classes of third=
2 8 party payment provider policies, contracts, or plans
2 9 delivered, issued for delivery, continued, or renewed in this
2 10 state on or after January 1, 2010:

2 11 a. Individual or group accident and sickness insurance
2 12 providing coverage on an expense-incurred basis.

2 13 b. An individual or group hospital or medical service
2 14 contract issued pursuant to chapter 509, 514, or 514A.

2 15 c. A plan established pursuant to chapter 509A for public
2 16 employees.

2 17 d. An individual or group health maintenance organization
2 18 contract regulated under chapter 514B.
2 19 e. An individual or group Medicare supplemental policy,
2 20 unless coverage pursuant to such policy is preempted by
2 21 federal law.
2 22 f. Any other entity engaged in the business of insurance,
2 23 risk transfer, or risk retention, which is subject to the
2 24 jurisdiction of the commissioner.

2 25 g. An organized delivery system licensed by the director
2 26 of public health.

2 27 4. This section shall not apply to accident-only,
2 28 specified disease, short-term hospital or medical, hospital
2 29 confinement indemnity, credit, dental, vision, Medicare
2 30 supplement, long-term care, basic hospital and
2 31 medical-surgical expense coverage as defined by the
2 32 commissioner, disability income insurance coverage, coverage
2 33 issued as a supplement to liability insurance, workers'
2 34 compensation or similar insurance, or automobile medical
2 35 payment insurance, or individual accident and sickness
3 1 policies issued to individuals or to individual members of a
3 2 member association.

3 3 Sec. 2. Section 514C.22, Code 2009, is repealed effective
3 4 January 1, 2010.

3 5 EXPLANATION

3 6 This bill creates new Code section 514C.24 and provides
3 7 that, effective January 1, 2010, a policy, contract, or plan
3 8 providing for third-party payment or prepayment of health or
3 9 medical expenses must provide coverage benefits for mental
3 10 health conditions based on rates, terms, and conditions which
3 11 are no more restrictive than the rates, terms, and conditions
3 12 associated with coverage benefits provided for other
3 13 conditions under the policy, contract, or plan. "Mental
3 14 health condition" means a condition or disorder involving
3 15 mental illness or alcohol or substance abuse as defined by the
3 16 commissioner of insurance, by rule, consistent with the
3 17 diagnostic categories listed in the mental disorders section
3 18 of the most recent version of the diagnostic and statistical
3 19 manual of mental disorders.

3 20 The bill also requires the insurance commissioner to adopt
3 21 rules to administer the new Code section.

3 22 Code section 514C.22, which currently mandates coverage for
3 23 certain biologically based mental illnesses, is repealed
3 24 effective January 1, 2010.

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